

Office Memorandum

Date: January 2, 2024
To: HR Directors and Designees, SEMA4 HR Users, Payroll Users, and Agency Accounting Coordinators
From: Dori Leland, Enterprise Director, Employee Classification and Compensation
Subject: **Salary Adjustments for the 2023 - 2025 Biennium Year 1:
MMA, MGEC, and SRSEA**

Minnesota Management and Budget (MMB) will implement the Year 1 salary provisions of the MMA, MGEC, and SRSEA contracts over the weekend of January 5, 2024.

This memo provides instructions and critical timelines for agency Human Resources offices.

Year 1 General Salary Adjustment, effective July 1, 2023

Over the weekend of January 5, 2024, MMB will apply a 5.5% general wage adjustment to the job records of employees covered by the following contracts, and for “insufficient work time employees” in related job classes:

- MMA
- MGEC
- SRSEA

MMB will insert a SEMA4 job row with an effective date of **7/1/2023** and **Pay Rate Change / GEN** as the action / reason. MMB will update rows with effective dates greater than 7/1/2023 and include a Job Data comment to indicate the rate of pay has been updated by the mass salary update. The new rates of pay will display in SEMA4 on Monday, January 8.

Pay rates over the maximum

Employees with a rate code of OFFOMD or OFFOMT:

- Employees whose rate of pay exceeded the maximum for their job class on 6/30/2023, but falls within the range on 7/1/2023, will be placed at the new range maximum step for the job class and the rate code will be changed to ONSTEP.
- Employees whose rate of pay exceeded the maximum for their job class on 6/30/2023, and continues to exceed the maximum on 7/1/2023, will not receive an update.

Employees with a rate code of OFFOMR (due to a reallocation demotion) will receive the full 5.5% increase.

Mass update reports available January 8, 2024

On January 8, 2024, report HP7041, *Mass Update Before and After Values for Salary*, will be available in the Standard Report Viewer. This report reflects the old and new rates of pay for each employee. Please review this report for accuracy. Note: After you open report HP7041, you will see Report ID PDHR7063 in the upper left corner.

Work-out-of-class and trainee pay rates

Agencies must calculate and enter the rates of pay for work-out-of-class differentials and trainee assignments. MMB will send agencies with employees on work-out-of-class and trainee assignments separate instructions and a list of employees on January 8, 2024.

New appointments

Employees with new appointments effective after 7/1/2023 will not receive a 7/1/2023 Pay Rate Change / GEN row. However, the mass update program will update the appointment row and any subsequent rows, to reflect the increase.

Separated employees

- Employees who are separated (with an Inactive HR status) when the mass update runs on January 5, 2024 will not be included in the general adjustment mass update.
- Employees who have a future-dated separation effective after January 5, 2024 will receive the general adjustment. However, the rate of pay on the separation row will not be updated. Agencies must manually update the separation row with the new rate of pay. MMB will send agencies a list of these employees on January 8, 2024.

Employees who separated from state service between 7/1/2023 and January 5, 2024 (the date the salary mass update will be run for active HR Status employees) must make a written request to their HR office to receive the general adjustment. Agencies are responsible for updating the job records with the 7/1/2023 general adjustment row, and any subsequent rows. Agencies are also responsible for calculating retroactive pay and recalculating any vacation payoffs and severance payments previously made to the employee. These employees must make a written request to their HR office by **01/26/2026** to receive the general adjustment. These separated employees should be advised to contact MSRS regarding the updated compensation rate.

SEMA4 Salary Adjustment Timeline

Date	Event
Weekend of 01/05/2024	Mass salary update (5.5% general adjustment, effective 7/1/2023) for employees covered by MMA, MGEC, and SRSEA, and for “insufficient work time employees” in related job classes.
01/08/2024 – 01/12/2024	Agencies review report HP7041, <i>Mass Update Before and After Values for Salary</i> in Standard Report Viewer.
01/08/2024 – 01/12/2024	Agencies enter rate increases (differentials) for work-out-of-class assignments. Agencies enter rate increases for trainee assignments (where applicable). MMB will provide further instructions and employee lists regarding work-out-of-class and trainee assignments.
01/08/2024 – 01/12/2024	Agencies enter rate corrections for any future-dated separations. MMB will provide an employee list and further instructions to affected agencies.
01/26/2024	Paycheck for the payroll period ended 01/16/2024 reflects the 5.5% general adjustment salary increase along with retroactive pay for employees covered by MMA, MGEC, and SRSEA.

Questions?

For SEMA4 HR questions, please contact your MMB SEMA4 HR Specialist:

- Kaeley Cazin – Kaeley.Cazin@state.mn.us
- Diane Clemens – Diane.Clemens@state.mn.us
- Tia Chester – Tia.Chester@state.mn.us

For questions regarding payroll processing, contact [Statewide Payroll Services](#).